

Agency 305

Department of Veterans Affairs**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2003-05 Expenditure Authority	609.8	21,793	57,891	79,684
Total Maintenance Level	617.1	23,118	60,792	83,910
Difference	7.3	1,325	2,901	4,226
Percent Change from Current Biennium	1.2%	6.1%	5.0%	5.3%
Performance Changes				
Targeted Vendor Rate		77		77
Medical Inflation Reduction		(338)		(338)
Middle Management Reduction	(2.9)	(214)	(109)	(323)
Eastern Washington Cemetery Study		25		25
Outreach for Returning Veterans		25		25
Post Traumatic Stress Syndrome		170		170
General Inflation		(237)		(237)
Subtotal	(2.9)	(492)	(109)	(601)
Total Proposed Budget	614.2	22,626	60,683	83,309
Difference	4.4	833	2,792	3,625
Percent Change from Current Biennium	0.7%	3.8%	4.8%	4.5%
Total Proposed Budget by Activity				
Administrative Services	20.3	3,232	10	3,242
Institutional Services	568.2	12,279	58,350	70,629
Veterans Disability Services and Support	6.0	3,936		3,936
Veterans' Community-Based Services	22.6	1,622	2,432	4,054
Compensation Cost Adjustment		1,771		1,771
Middle Management Reduction	(2.9)	(214)	(109)	(323)
Total Proposed Budget	614.2	22,626	60,683	83,309

PERFORMANCE LEVEL CHANGE DESCRIPTIONS**Targeted Vendor Rate**

This targeted vendor rate increase is driven by targeted base vendor payments, which represent services by vendors that the Office of Financial Management identified as most in need of rate adjustments. The funded level represents a 1.5 percent increase for Fiscal Year 2006 and 2.0 percent for Fiscal Year 2007, and is based on annual inflation estimates.

Medical Inflation Reduction

Funding for medical inflation is eliminated.

Middle Management Reduction

The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount.

Eastern Washington Cemetery Study

In conjunction with veterans' associations and local government officials, the Department of Veterans Affairs will conduct a feasibility study of a veterans' cemetery in eastern Washington. The study shall include location, acquisition costs, projection of continued operations costs, and revenue sources for acquisition and operations. A final report of the findings shall be submitted no later than December 15, 2005.

Outreach for Returning Veterans

Funding is provided for the development of a public service announcement outreach campaign directed at returning veterans from Operation Iraqi Freedom and Operation Enduring Freedom.

Post Traumatic Stress Syndrome

The Department of Veterans Affairs will expand its Post Traumatic Stress Syndrome outreach counseling program to meet the higher volume of veterans returning from Iraq and Afghanistan.

ACTIVITY DESCRIPTIONS

Administrative Services

The Department of Veterans' Affairs (DVA) Administrative Services unit provides legislative, stakeholder, public, and federal Veterans' Administration (VA) coordination for the department. It is also the center of strategic planning and provides centralized support for all of the department's products and services, including financial, budget, accounting, and payroll services; human resources; publications and electronic information services; and quality assurance. Incremental administrative costs associated with a specific activity are reflected in the individual activity.

Institutional Services

DVA operates veterans homes in Spokane, Retsil, and Orting, with a combined residential capacity of 655. These facilities offer skilled-level nursing and long-term care for honorably discharged veterans (and some spouses) who are or may likely become disabled and medically indigent. At Retsil and Orting, assisted living and domiciliary services are also provided. The homes use an interdisciplinary team approach to providing nursing, clinic, rehabilitative therapy, therapeutic activity, and social services. Under the DVA, 80 percent of the cost for these services is covered by federal and local revenues. (General Fund-State, General Fund-Federal, and General Fund-Local)

Veterans Disability Services and Support

The Veterans Disability and Claims Support program delivers critical services to the state's vulnerable veteran population living in both urban and rural areas. This network provides critical advocacy services and representation to ensure that veterans and their family members are able to understand and navigate a complicated federal system. The role of the federal Veterans' Administration is to adjudicate; it does not provide community claims support. DVA operates a statewide network that includes 55 contracted professional licensed war trauma counselors and over 100 contracted service officers to provide disability claims services.

Veterans' Community-Based Services

DVA's veterans' community-based services incorporates a statewide network that includes re-integration services for homeless and incarcerated veterans, outreach to minority and women's veterans, Post Traumatic Stress Disorder treatment and readjustment for King County veterans, centralized admissions processing for the veterans homes, fiduciary services for incompetent veterans, and outreach to veterans in nursing homes and the housebound. (General Fund-State, General Fund-Federal, and General Fund-Local)

Compensation Cost Adjustment

This item reflects proposed compensation and benefit cost adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.

Middle Management Reduction

The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount. These savings will be assigned to the appropriate activities after the budget is enacted.